

**Corporate Overview and Scrutiny
Management Board**

18 March 2019

**Update on the delivery of the Medium Term
Financial Plan 8**



Report of Corporate Management Team

Lorraine O'Donnell, Director of Transformation and Partnerships

**Councillor Simon Henig, Leader of the Council and all Cabinet
collectively**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report provides an update on the progress made at the end of December 2018 on the delivery of the 2018/19 Medium Term Financial Plan (MTFP8)

Recommendation

- 2 Corporate Overview and Scrutiny Management Board is recommended to note the contents of this report and the progress made in delivering MTFP8.

Background

- 3 Cabinet has received regular updates on the progress made by the Council in delivering the financial targets within the MTFP since 2011/12.
- 4 MTFP8 savings were agreed by Council in February 2018 and set a savings target of just under £15 million. This brings the overall savings target for the period from 2011/12 to 2020/21 to circa £251 million. MTFP9 savings of just over £10 million were agreed by Cabinet in February 2019.

Progress to date

- 5 The delivery of the MTFP is being managed with a very robust programme management approach being adopted to ensure we take into account:
 - (a) our duties under the Equality Act;
 - (b) appropriate consultation;
 - (c) the HR implications of the change including consultation with employees and trade unions;
 - (d) communication of the change and the consultation results;
 - (e) sound risk management.
- 6 Through this robust approach we continue to take in managing the programme to deliver the savings required, the plans for 2018/19 are being successfully delivered.
- 7 By the end of December 2018, 99% of the savings target for MTFP8 had already been delivered with in excess of £14.6 million of savings having been achieved. This brings the total to end of December 2018, since 2011 we have now made over £223.8 million of savings including Public Health.
- 8 Members have been advised of the careful planning and monitoring of the savings that is carried out, on occasions plans need to change which could delay when savings are made, but through the ongoing management of the process we are able to smooth out delivery of savings using cash limits, ensuring we haven't missed our overall savings targets. Assurance can however be given that the remaining 1% is expected to be achieved by the end of the financial year as planned.

- 9 During the last quarter cash limits to the value of £376,000 have been used to ensure that savings have been delivered. Assurances are in place that for future years, robust plans have been made for the recurrent savings which limits the use of these cash limits to the 2018/19 financial year.

Consultation

- 10 There has not been any public consultation on MTFP (8) proposals in the last quarter.

HR Implications

- 11 Equality data relating to staff leaving through voluntary redundancy, early retirement and ER/VR during the first three quarters of MTFP8 showed that 81% were female and 19% were male. In terms of race, 24% of leavers had not disclosed their ethnicity and the remaining 76% stated that they were white British. Regarding disability status 4% said they had a disability, 32% had no disability and 64% did not disclose their disability status.
- 12 The numbers of those leaving through compulsory redundancy are too low to effectively analyse.

Equality Impact Assessments

- 13 Equality impact assessments (EIA) form a key part of the ongoing MTFP process. A number of initial screenings for new savings and updated EIAs for ongoing savings were provided to Cabinet ahead of the budget setting decision in February 2018 and will continue for those identified for MTFP9. EIA's are updated regularly throughout the year to take account of consultation responses and additional evidence and progress against the savings; the updates also include information on any mitigating actions.
- 14 The impact assessments and action plans are considered during decision making processes, for example, updated EIAs are provided where Cabinet receives a report ahead of consultation and where a further report is received with any final recommendations.

Developing a New Approach

- 15 MTFP savings are monitored and managed through a recognised and robust approach utilising service based savings targets and associated project plans for their delivery.
- 16 Through the Transformation Programme, a number of savings for future years will become more Council Wide and non-service specific due to cross cutting nature of both efficiency and income generation. In order to accommodate the changing nature of the savings, the way in which

savings will be monitored and managed will be refreshed for 2019/20 to include an additional element relating to Council Wide initiatives and progress towards their achievement. The process will remain transparent and robust with regular updates to cabinet on progress.

Conclusion

- 17 We are continuing to plan on the basis that the government's austerity plan will continue for several more years. The Council remains in a strong position to meet the ongoing financial challenges through an updated and refreshed robust programme management process.
- 18 For MTFP8 the council has already delivered in excess of £14.6 million of the savings required (99%) and in total we have delivered over £223.8 million in savings since 2011.
- 19 Future MTFP monitoring will include an additional element to monitor progress against Council Wide Transformation based efficiency savings and income targets.

Contact: Andy Palmer

Tel: 03000 268551

Appendix 1: Implications

Legal Implications

The legal implications of any decisions required are being considered as part of the delivery of the proposals.

Finance

The delivery of the MTFP involves cumulative saving of approximately £251million over the period from 2011 to 2021 of which over £223.8 million has been delivered to date.

Consultation

A full consultation with a range of stakeholders was undertaken on the MTFP prior to its agreement and again in 2013 and 2018. In addition, where appropriate for individual proposals, internal and external consultation plans are developed so that consultation informs the decision making process.

Equality and Diversity / Public Sector Equality Duty

An Equality Impact Assessment (EIA) was undertaken for the original 4 year MTFP plan and additional screening was undertaken for proposals which have been identified for subsequent MTFPs, together with any other changes made to the original plan. In addition, for each proposal an EIA is undertaken as part of the decision-making before the proposal is implemented.

Human Rights

N/A.

Crime and Disorder

N/A.

Staffing

Where the proposals affect staff, full consultation is undertaken and the trade unions consulted. Wherever possible, staff reductions are done through voluntary means. In addition, there has been a proactive management of vacancies to lessen the impact on staff and the Council has a redeployment process which continues to find alternative employment for a number of staff.

Accommodation

As proposals are planned the impact on accommodation is ascertained, with staff being consulted on any moves as part of the process. The loss of over 2,800 posts from the Authority will mean a requirement for less

accommodation and the Office Accommodation Team has built this into the Office Accommodation Strategy.

Risk

The delivery of the MTFP is highlighted as one of the Council's strategic risks and is monitored through the corporate risk management process. In addition, risks for individual proposals are being monitored through the work undertaken to deliver the proposal.

Procurement

A number of the proposals involve the changing of existing contracts and this work is being taken forward through the Council's agreed procurement processes.